

ONLINE

USPTO TODAY

Volume 1, No. 6-7
June-July, 2000

United States Patent and
Trademark Office
Office of Public Affairs
Washington, DC 20231
703/305-8341

Q. Todd Dickinson
Under Secretary of Commerce
for Intellectual Property and
Director of the United States
Patent and Trademark Office

Richard Maulsby
Director
Office of Public Affairs

Brigid Quinn
Deputy Director
Office of Public Affairs

Ruth Ann Nyblod
Managing Editor

The USPTO TODAY online is published monthly by the United States Patent and Trademark Office for its customers. The magazine is intended to inform and bring into focus the views and actions of the USPTO. Any product or service names that appear in the magazine are for informational purposes only and do not in any way constitute an endorsement by the USPTO.

Comments and suggestions are welcome by e-mail to ruth.nyblod@uspto.gov.

INSIDE:

Cover Story

- 17 One Giant Step Closer to New Headquarters in Alexandria, Virginia

Features

- 19 Developing a World-Class Workforce...
PTO University
20 USPTO and WIPO Cosponsor TRIPS Intellectual
Property Enforcement Program
21 A Search for New Heroes: USPTO Honored by
Computerworld and Smithsonian for Internet Patent
Database
22 May 2000 Visiting Scholars Program
24 Commissioner Jiang Ying of SIPO Visits USPTO
25 Seven to be Inducted Into National Inventors Hall of
Fame

Departments

- 2 In Touch With the Under Secretary for IP
26 Helpful Hints for patent applicants
28 Faces of the USPTO...
Dennis R. Shaw, Chief Information Officer
29 To the Editor
31 From the Editor

Next online conversation with the
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and
Trademark Office
Wednesday, August 2, 2000
1:00 - 2:00 p.m.
www.uspto.gov
click on icon and follow directions



In Touch

With the Under Secretary for IP

Q. Todd Dickinson

*Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office*

Welcome to the June-July edition of ***USPTO Today***. This month's magazine, like its predecessors, is filled with a variety of articles to keep you up-to-date on intellectual property issues at the United States Patent and Trademark Office and around the world.

With that in mind, I'd like to use this opportunity to discuss the state of the USPTO and to summarize the events at the office during the last year as I reported recently to the American Bar Association Section of Intellectual Property Law.

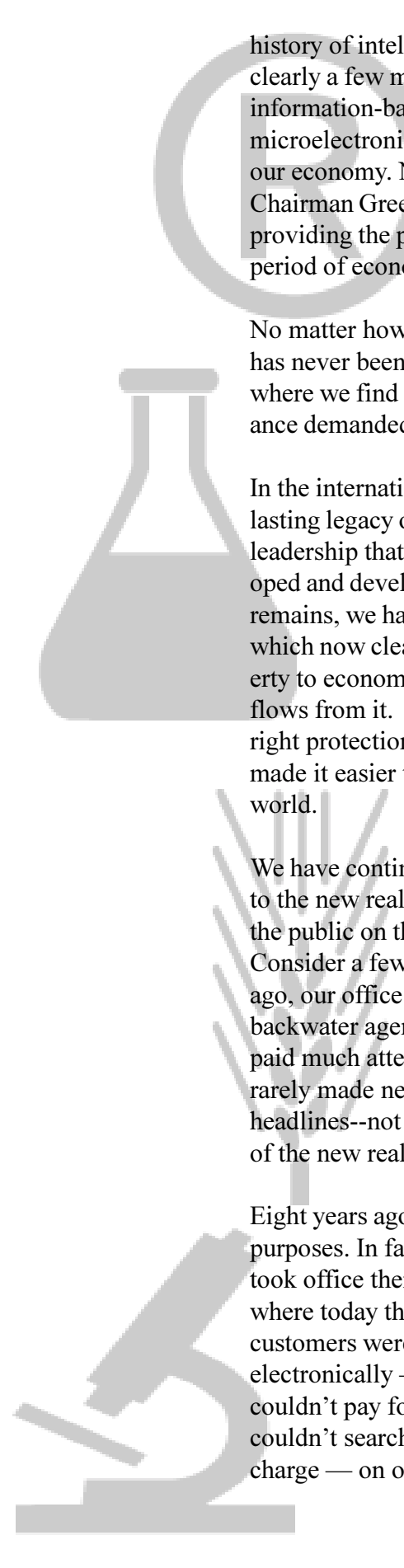
**Under Secretary Dickinson's Address to the
American Bar Association, Section of Intellectual Property
Law, Summer Conference
Boston, Massachusetts, June 23, 2000**

(edited for space)

We are the keepers of the dreams of a nation. And as one of the principal guardians of the system, and the integrity of it, I am proud to report that we have taken our responsibility seriously and have stood our ground to defend the responsibilities that have been entrusted to us. Today, half way through the first year of the new century and nearing the end of the eight years of the Clinton-Gore administration, it is my pleasure to report to you on the dividends of your trust, which are many. Unfortunately, it also falls to me to report on a potential threat to that trust which now hangs over us.

Overview

Today, we stand at an intersection of developments that have and will continue to profoundly change the way intellectual property is created and protected, and the way in which its principal systems are administered. It sounds almost like a cliché to say that we are at a crossroads, but I truly believe that historians will one day look back on this time as one of the most significant periods in the



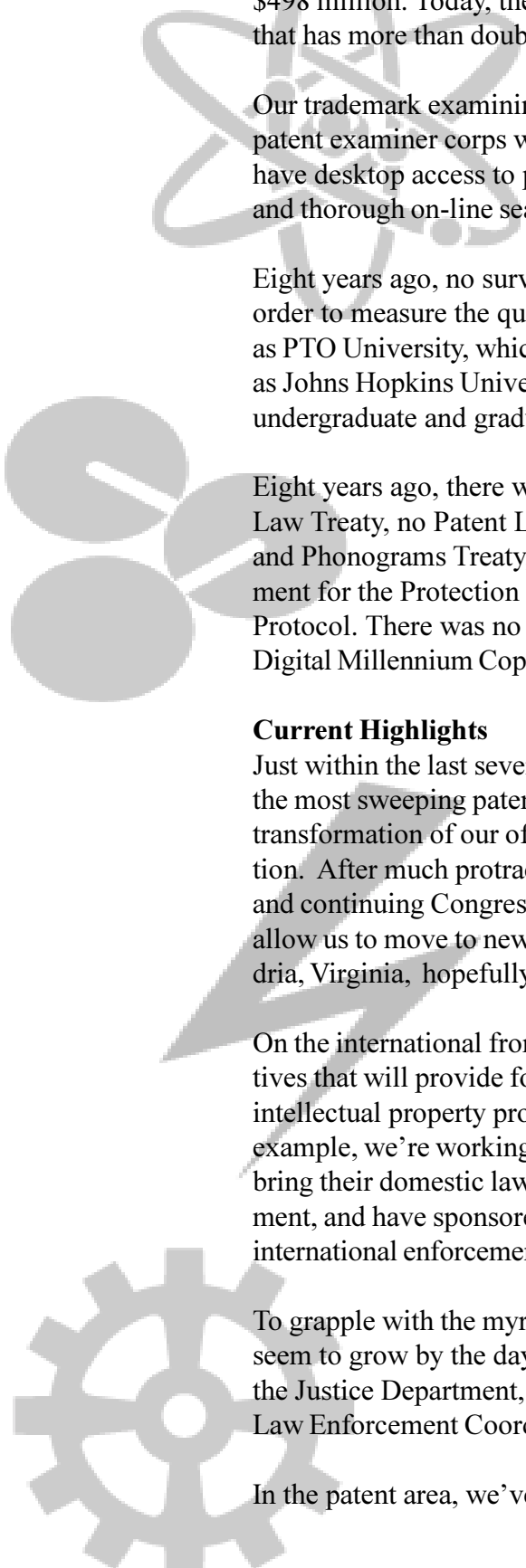
history of intellectual property — and the USPTO. As we see so clearly a few miles from here in areas like the Route 128 corridor, information-based industries — biotechnology, telecommunications, microelectronics, and the like — are now the number one driver of our economy. No less an authority than Federal Reserve Board Chairman Greenspan has credited technological development with providing the productivity increases that have fueled the longest period of economic growth in our nation's history.

No matter how you look at it, the old adage “knowledge is power” has never been more true than it is today. And I am quite proud of where we find ourselves today in dealing with the issues and balance demanded by such an equation.

In the international arena, in particular, due in no small part to the lasting legacy of my predecessor, Commissioner Bruce Lehman, the leadership that the United States has shown the world, both developed and developing, has been unparalleled. While much work remains, we have helped lead the way to a global environment which now clearly recognizes the importance of intellectual property to economic development and to the prosperity that naturally flows from it. We've strengthened patent, trademark, and copyright protection and enforcement — at home and abroad — and made it easier to secure that protection in markets around the world.

We have continued to successfully adapt our centuries old systems to the new realities of technology, even as we continue to educate the public on the reasons for and benefits of those adaptations. Consider a few examples of just how far we've come: Eight years ago, our office was, as the media likes to characterize it, a fairly backwater agency. Very few people, aside from you all of course, paid much attention to us, and patent and trademark issues rarely made news. Today, we're hard-pressed to stay out of the headlines--not always a good or comfortable thing, but a reflection of the new realities of our work.

Eight years ago, the internet didn't even exist for all practical purposes. In fact, President Clinton likes to point out that when he took office there were something on the order of 100 websites, where today there are estimated to be hundreds of millions. Our customers weren't able to file patent or trademark applications electronically — or check on their status over the Internet. They couldn't pay for our services or fees with credit cards. And they couldn't search our patent and trademark databases — free of charge — on our Website.



The number of patent applications as a function of research and development expenditures was actually decreasing. Eight years ago, the budget of the USPTO was \$474 million, on receipts of \$498 million. Today, the president, at least, has proposed a budget that has more than doubled to \$1.04 billion.

Our trademark examining corps was half the size it is today, and the patent examiner corps was almost 70 percent smaller and didn't have desktop access to patent text and image databases for easy and thorough on-line searching.

Eight years ago, no surveys of our customers were conducted in order to measure the quality of our work. There was no such thing as PTO University, which partners with academic institutions such as Johns Hopkins University and Syracuse University, to provide undergraduate and graduate programs for our employees.

Eight years ago, there was no TRIPs Agreement, no Trademark Law Treaty, no Patent Law Treaty, no WIPO Copyright Performers and Phonograms Treaty, no U.S. participation in the Hague Agreement for the Protection of Industrial Designs and the Madrid Protocol. There was no American Inventors Protection Act and no Digital Millennium Copyright Act.

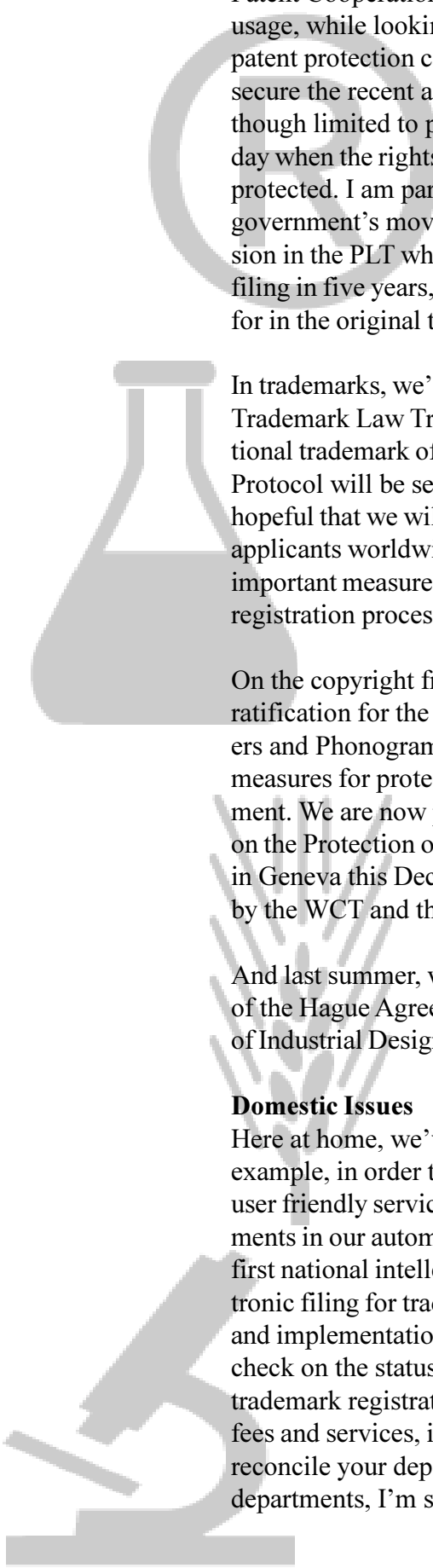
Current Highlights

Just within the last several months, we have seen the enactment of the most sweeping patent reform legislation in a half-century, the transformation of our office into the leader for government reinvention. After much protracted litigation, public debate and approvals and continuing Congressional inquiry, we have signed the lease to allow us to move to new modern, consolidated facilities in Alexandria, Virginia, hopefully sometime in 2004.

On the international front, we have continued to champion initiatives that will provide for stronger, more affordable and accessible intellectual property protection in markets around the world. For example, we're working closely with developing economies to bring their domestic laws into compliance with the TRIPs Agreement, and have sponsored extension programs dealing with international enforcement.

To grapple with the myriad of domestic enforcement issues that seem to grow by the day, we also now serve as co-chair, along with the Justice Department, of the new National Intellectual Property Law Enforcement Coordination Council.

In the patent area, we've put forward a proposal to simplify the



Patent Cooperation Treaty, hopefully leading to greater and cheaper usage, while looking ahead to the day when a true global system of patent protection can emerge. We were instrumental in helping secure the recent adoption of the Patent Law Treaty, which, although limited to procedural matters, brings us even closer to the day when the rights of inventors will be universally recognized and protected. I am particularly pleased that, consistent with our government's move to e-government, we secured a major concession in the PLT which will allow us to require electronic patent filing in five years, rather than the 10-year moratorium provided for in the original treaty draft.

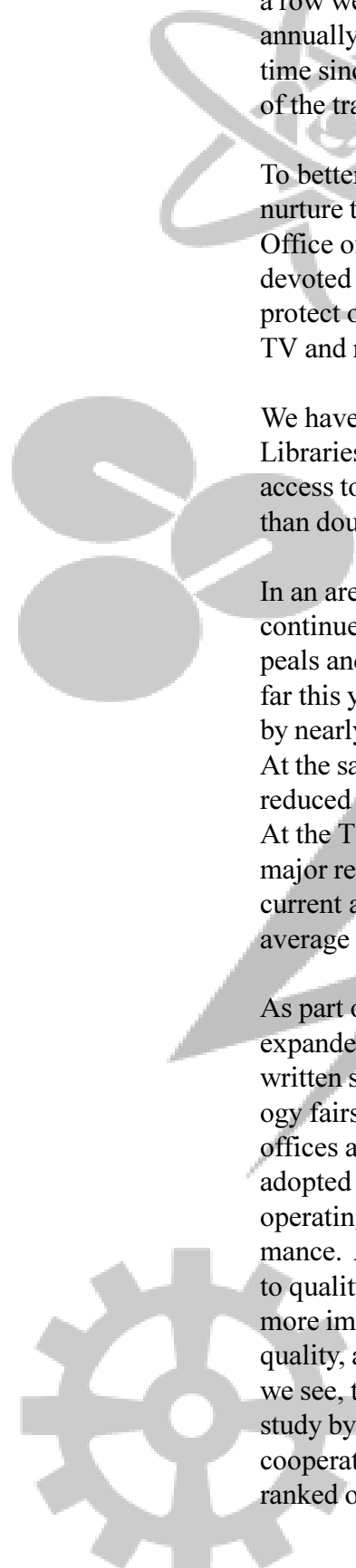
In trademarks, we've seen ratification and implementation of the Trademark Law Treaty, which harmonizes the procedures of national trademark offices worldwide. And very shortly the Madrid Protocol will be sent to the Senate for ratification, and we're also hopeful that we will soon be able to begin implementing it, allowing applicants worldwide to file in the office of their choice, another important measure for simplifying the international trademark registration process.

On the copyright front, we have deposited our instruments of ratification for the WIPO Copyright Treaty and the WIPO Performers and Phonograms Treaty — the WCT and the WPPT — key measures for protecting copyrighted works in the digital environment. We are now preparing for the WIPO Diplomatic Conference on the Protection of Audiovisual Performances, which will be held in Geneva this December, where we hope to resolve issues left open by the WCT and the WPPT.

And last summer, we joined 22 other nations in signing a new Act of the Hague Agreement Concerning the International Registration of Industrial Designs.

Domestic Issues

Here at home, we've been busy, too. Especially this past year. For example, in order to provide our customers with more efficient, user friendly service, we've made a number of exciting improvements in our automation technology. This includes becoming the first national intellectual property office in the world to offer electronic filing for trademarks, the piloting of electronic patent filing, and implementation of on-line systems that allow our customers to check on the status of their patents and trademark applications or trademark registration. We also now accept credit cards for all our fees and services, in essence allowing Mastercard and Visa to reconcile your deposit account, no small matter to your accounting departments, I'm sure.



And speaking of fees, last December we reduced patent filing fees by \$70 and patent maintenance fees by \$110. It's the second year in a row we've lowered our fees, saving inventors about \$30 million annually. While we did increase trademark fees, it was the first time since 1992, and was with the active involvement and support of the trademark community.

To better serve the needs of America's independent inventors and to nurture the next generation of inquisitive minds, we established the Office of Independent Inventor Programs and created Websites devoted specifically to independent inventors and children. To help protect our innovative entrepreneurs, we also have launched new TV and radio spots to fight invention promotion firms scams.

We have designated four new Patent and Trademark Depository Libraries, bringing our total to 87. And we have increased public access to automated systems in our public search facilities by more than doubling the number of workstations.

In an area of particular concern to you and your clients, we've continued to bring down the backlog at our Board of Patent Appeals and Interferences and the Trademark Trial Appeal Board. So far this year, the BPAI has reduced the number of pending appeals by nearly 1,200 to 7,150 — the lowest level since fiscal year 1996. At the same time, its inventory of pending interferences has been reduced by 40 to 297 — also the lowest level in almost four years. At the TTAB, while we still have a long way to go, we've seen a major reduction in the time it takes to issue final decisions. The current average pendency now stands at 26 weeks, down from an average pendency of 44 weeks a year ago.

As part of our heightened focus on quality management, we've expanded our customer outreach efforts through focus sessions, written surveys, interviews, roundtables, partnerships, and technology fairs. Sometimes I get the feeling that you are in our offices as much as we are — and that's a good thing. We have adopted the balanced scorecard methodology for all our major operating units, to better track and optimize operational performance. And we have made a renewed and expanded commitment to quality and customer service. We have asked you which was more important, pendency or quality. We have universally heard quality, and we have responded. Fortunately, from everything that we see, this focus on quality and customer service is paying off. A study by the National Partnership for Reinventing Government, in cooperation with the federal Office of Personnel Management, has ranked our office number one in the federal government in six

different areas it surveyed, including having service goals aimed at meeting customer expectations.

Our surveys of our customers corroborate that, as well. Last fall we recorded the largest increases in the history of our annual customer surveys. And we continue to receive very positive, unsolicited feedback from customers. For example, one gentleman emailed us to say that we had “renewed [his] confidence in the government bureaucracy.” I’m hopeful that the results of this year’s surveys, which will be available this September, will be even higher than last year’s.

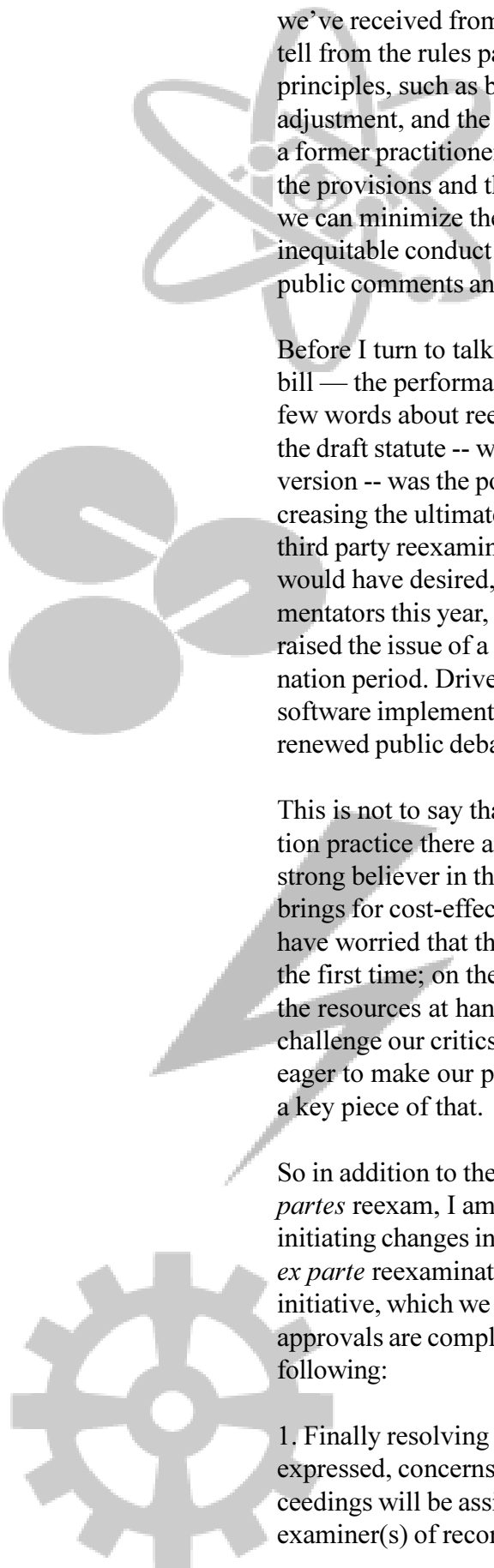
The increases in satisfaction with our office, I’m pleased to say, haven’t been limited to our external constituencies. Within the office itself, we’ve seen a substantial improvement in the labor-management partnership, having reestablished our Partnership Council, and I meet regularly with our union representatives. The percentage of our employees that report they are happy with their jobs has doubled in the last year, as has their satisfaction with the management-union relationship.

I am extremely proud of these achievements. But believe me, no one knows better than I that much work remains and that quality management is a process of continuous improvement. Secretary Daley’s charge to all of us as we entered this last year of the Clinton-Gore administration was to try and leave things better than we found them, a reasonable and pragmatic goal, very much like the secretary himself. We’re not done with this administration yet, but as for where they are right now, I’d like to think that we have met that challenge.

AIPA

As you’d expect, the implementation of the AIPA has in many ways been the most significant item on our agenda this past year. We recently completed the first phase of rulemaking on the major substantive elements of the bill, including pre-grant publication of patents, patent term adjustment, and expanded third party (inter partes) reexam. We did so under very tight timeframes and a number of budget constraints. This act unfortunately, was unfunded at the time of enactment, and we are faced with about a \$15 million unfunded liability in fiscal year 2000 and approximately \$40 million in fiscal year 2001, mostly from pre-grant publication. We can recoup much of this at the time of notice of allowance, but, given the timing, this still leaves us with significant cash-flow issues.

We had to make a number of tough decisions in the rulemaking, as you can imagine. I am pleased, however, that the initial feedback



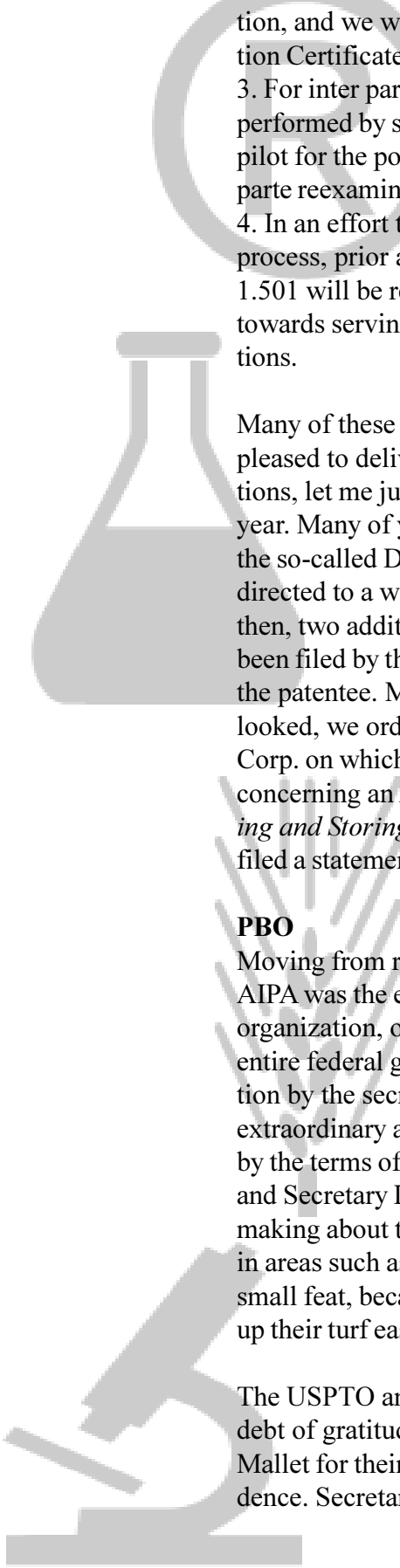
we've received from the comments have been positive. As you can tell from the rules package, we are guided by several overarching principles, such as being strict on interpretation of patent term adjustment, and the opt-out provisions of pre-grant publication. As a former practitioner, I was also mindful of the challenges many of the provisions and the rules can present to your practice. Hopefully, we can minimize the opportunities, if that's the right word, for inequitable conduct exposure. We're currently reviewing all the public comments and preparing the final rulemaking packages.

Before I turn to talk about the other significant component of the bill — the performance-based provisions -- I would like to say a few words about reexaminations. One of the great opportunities in the draft statute -- which was only partially realized in the final version -- was the possibility of lowering litigation costs and increasing the ultimate quality of our product by the expansion of third party reexamination. While it was not as complete as many would have desired, in fact, this debate continues, as various commentators this year, such as Jeff Bezos and Tim O'Reilly, have raised the issue of a European-style brief post-examination reexamination period. Driven by issues of particular concern in the area of software implemented business method patents, there has been this renewed public debate which should be carefully observed.

This is not to say that even with our current inter partes reexamination practice there are not opportunities for positive change. I am a strong believer in the reexamination process and the potential it brings for cost-effective quality improvement in our work. Some have worried that this means that we did not perform the job right the first time; on the contrary, we do the best we can with the resources at hand. If there is new prior art out there -- as I challenge our critics in the media, especially -- bring it on. We are eager to make our patents the strongest in the world and reexam is a key piece of that.

So in addition to the final rulemaking packages regarding *inter partes* reexam, I am pleased to announce today that we are also initiating changes in our current policy for initiating and examining *ex parte* reexamination cases. I would like to give a preview of this initiative, which we will formally unveil very soon, once internal approvals are complete. The initiative will very likely include the following:

1. Finally resolving one of the biggest, or at least most widely expressed, concerns, all newly filed *ex parte* reexamination proceedings will be assigned to a different examiner than the examiner(s) of record in the application.

- 
2. We will require the holding of a senior level conference, similar to our current appeal conference, before issuance of a final rejection, and we will require a Notice of Intent to Issue a Reexamination Certificate in each reexam case.
 3. For inter partes reexamination, we will have the reexamination performed by specially-assigned senior staff, and will use this as a pilot for the possibility of an expert panel or board to handle all ex parte reexaminations, as well.
 4. In an effort to better utilize the director-ordered reexamination process, prior art submitted pursuant to 35 U.S.C. 301 and 37 CFR 1.501 will be reviewed at the group director level, with an eye towards serving as a possible basis for director ordered reexaminations.

Many of these changes are ones that you have asked for, and we are pleased to deliver. And with respect to director-ordered reexaminations, let me just comment parenthetically on actions of the past year. Many of you may recall that I ordered the reexamination of the so-called Dickens patent back in December, which claims were directed to a windowing “fix” for Y2K computer problems. Since then, two additional requests for reexamination of this patent have been filed by third parties and a reissue application has been filed by the patentee. More recently, on March 3, and apparently overlooked, we ordered the reexamination of a patent assigned to Sony Corp. on which there had also been significant public comment, concerning an *Apparatus and Method of Automatically Downloading and Storing Internet Web Pages*. The patent owner has since filed a statement and an amendment in the reexamination.

PBO

Moving from reexam to reinvention, the other major element of the AIPA was the establishment of our office as a performance-based organization, only the second — and the largest — PBO in the entire federal government. Although we’re subject to policy direction by the secretary of commerce, we’ve secured a rather extraordinary amount of independence from the department. Bound by the terms of a Memorandum of Understanding between myself and Secretary Daley, we now enjoy full autonomy in decision-making about the management and administration of our operations in areas such as budgeting, personnel, and procurement. That’s no small feat, because — as you can imagine — bureaucrats don’t give up their turf easily.

The USPTO and the intellectual property community owe a great debt of gratitude to Secretary Daley and Deputy Secretary Robert Mallet for their leadership and support in securing this independence. Secretary Daley has been a great friend of our office and an

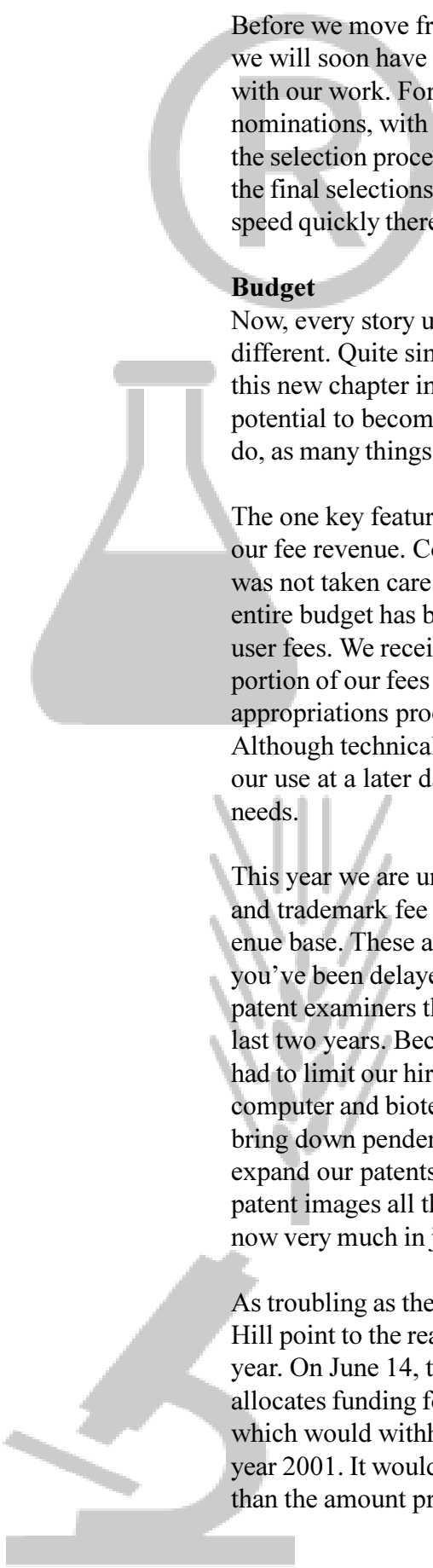
important ally in the administration. We will miss him as he moves on to new challenges. Fortunately, Deputy Secretary Mallett has also been extraordinarily supportive.

I know some cynics have been a little bit skeptical of the importance of our being a PBO, but it really marks an important milestone in our agency's history. We're breaking free from "one-size-fits-all" regulations that get in the way of doing our job — and give government a bad name. We now have two very able commissioners — Anne Chasser and Nick Godici — for trademarks and patents, respectively, who essentially serve as chief operating officers for their respective offices. They will be managing according to an agreed upon set of performance standards, defined in terms of both quality and pendency. These are captured in formal performance agreements with the secretary, the drafts of which are now with the secretary's office for finalization, and which will be made public. In order to align our performance objectives and measures throughout the USPTO, we are also in the process of renegotiating the performance plans with our unions, consistent with those performance agreements.

The managerial and operational freedoms we now enjoy will help us to attract and retain the best and the brightest employees — through greater flexibilities in compensation, work hours, work-at-home programs, and the like. I think some of this actually may begin to be paying off. While attrition is still a significant issue in patents, attrition of trademark examining attorneys is actually down to about eight percent, a fairly extraordinary figure in this economy.

In order to make the PBO real at all levels of the organization, we have made what might at first glance to be seemingly minor changes — such as the elimination of sign-in and sign-out sheets, expansion of flexible hours, and the establishment of casual dress Fridays — but ones which the workforce has been wildly enthusiastic about and ones which, I believe, are important in giving employees more personal control over their work life, while enabling us to recruit and retain the best folks in this very tight labor market, and which is, in turn, critical to ensuring the quality of our examination.

With our new freedom, we will soon be expanding programs, such as telecommuting "Work At Home" programs, which if you know anything about traffic in Washington, are becoming increasingly popular. We already offer "work at home" to some of our trademark examiners. In fact, we have one who works out of his home in Harrisburg, Pennsylvania! So, we're very energized about some of the things we will be able to do — now that we're a PBO — to make the office a more efficient and appealing place to work.



Before we move from the PBO legislation, let me also mention that we will soon have two advisory committees to oversee and help us with our work. Fortunately, we have received a number of excellent nominations, with a wide variety of appropriate backgrounds, and the selection process is nearing completion. The secretary will make the final selections and the committees will hopefully get up to speed quickly thereafter.

Budget

Now, every story usually has another side. And this one is no different. Quite simply, there's a cloud hanging over us as we start this new chapter in our agency's history. In some ways, it has the potential to become a very dark cloud. Not surprisingly, it has to do, as many things do in Washington, with money.

The one key feature that we still lack as a PBO is control over all of our fee revenue. Contrary to some people's impressions, this matter was not taken care of in last year's legislation. Since 1991, our entire budget has been derived solely from patent and trademark user fees. We receive no general taxpayer funds. But a sizeable portion of our fees are still annually withheld in the congressional appropriations process and diverted to other government programs. Although technically these funds appear to be placed in escrow for our use at a later date, they are ultimately used to offset other needs.

This year we are unable to access about \$230 million of our patent and trademark fee revenues — about 20 percent of our total revenue base. These are funds you and your clients pay for a service you've been delayed in receiving. We had hoped to hire another 700 patent examiners this year, in addition to the 1,500 hired over the last two years. Because of these budget reductions, however, we've had to limit our hiring to attrition hiring only — primarily in the computer and biotech areas. This is clearly hindering our ability to bring down pendency. By the end of the year, we also had hoped to expand our patents on the Web so that our customers can retrieve patent images all the way back to the very first one in 1790. This is now very much in jeopardy.

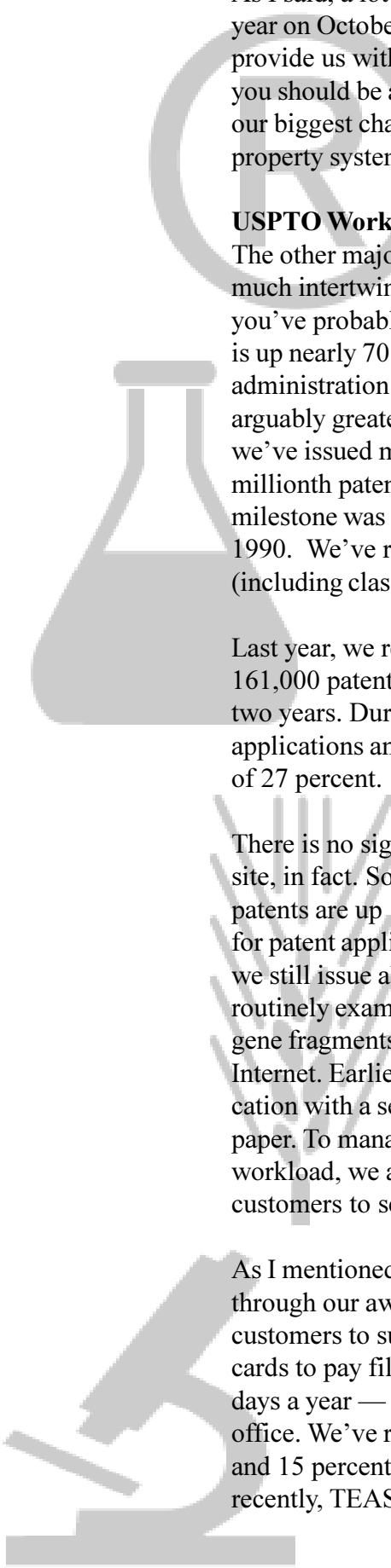
As troubling as these situations are, the signs coming from Capitol Hill point to the real possibility of draconian budget shortfalls next year. On June 14, the House Appropriations Committee, which allocates funding for the federal government, approved legislation which would withhold 25 percent of our total fee revenue in fiscal year 2001. It would siphon off \$295 million, \$182 million more than the amount proposed by the Office of Management and Bud-

get. Our total budget under this bill would be about \$904 million. This action occurred despite the fact that, last month, the House Judiciary Committee unanimously approved legislation sponsored by Chairman Howard Coble that would allow us to access all our fees without prior authorization in appropriation bills.

Now, while a lot can still happen between now and when the final budget is signed by the president, and let me mention that the administration has stated that the president will veto the Commerce-State-Justice appropriations bill, and our proposed mark is listed as one of the grounds for such a possible veto. However, if these cuts survive, we have been asked to detail the impact that a \$904 million mark would have on our operations. Needless to say, this budget level will have a major impact on our operations. Some of these impacts include:

- All hiring would be curtailed. We would have hired 1000 people next year, including 600 examiners and examining attorneys. With attrition, that means both examining corps will shrink, in spite of our rapidly expanding workload. This in turn, would mean that:
 - More than 48,000 patent applications would be denied an initial examination.
 - 34,000 patents would not be allowed, and an additional 68,000 patents would not issue.
 - Approximately 60,000 trademark registrations would not issue.
 - The time it takes us to render a first action on the merits of both patent and trademark applications would increase significantly. For trademark applications, the time would almost double. For patent applications, it would increase by almost one-third.
 - The terms of many patents would be prolonged, potentially driving up costs to all Americans in such vital areas as health care and pharmaceuticals.
- In addition to the impact on pendency, new and existing automation projects would be curtailed, including electronic filing of patent applications and possibly our award-winning patents and trademarks on the Internet.
- Support for the 87 Patent and Trademark Depository Libraries would be curtailed.
- And training for our examiners would be significantly reduced.

Our allies in Congress are working very hard to reverse these budget cuts. In fact the vote of the full house on an amendment to restore our budget to the president's mark will be voted on today. [defeated on a 145-223 vote.]



As I said, a lot can change between now and the start of the fiscal year on October 1. I am hopeful that the final funding level will provide us with the resources we need to do our job. Still, all of you should be aware of what's happening on Capitol Hill. This is our biggest challenge — and the stakes for our nation's intellectual property system are quite high.

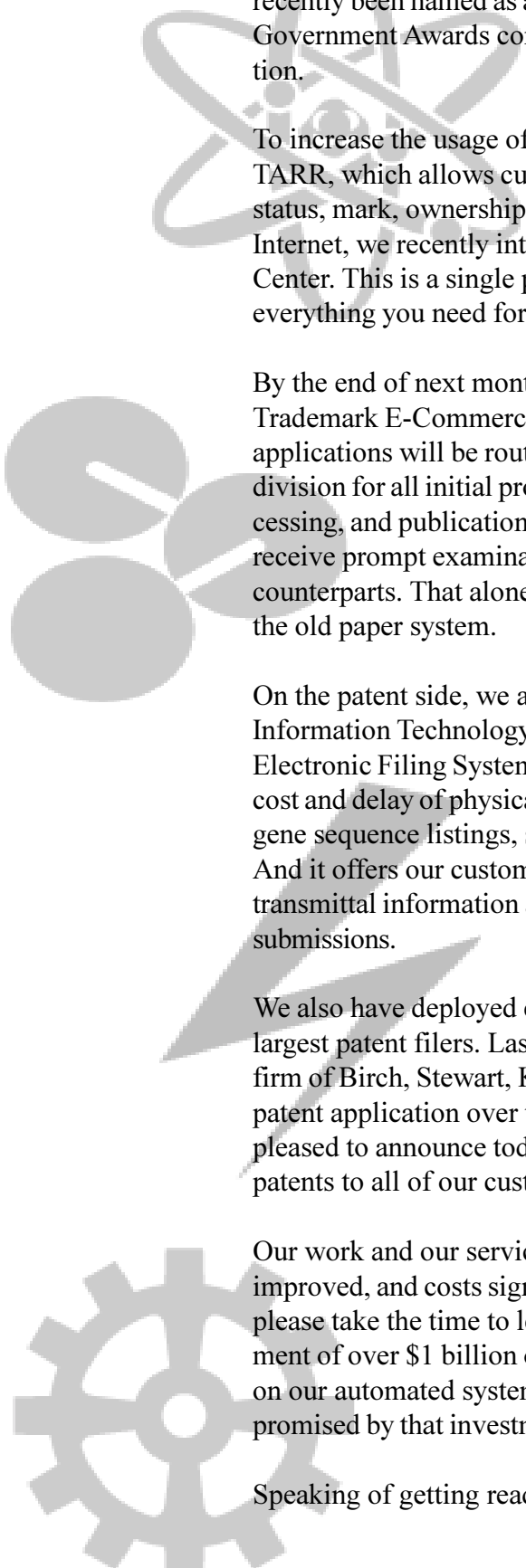
USPTO Workload

The other major challenge for our office right now, which is very much intertwined with the budget, is managing our workload. As you've probably heard me say a hundred times, our total workload is up nearly 70 percent since the beginning of the Clinton-Gore administration — thanks to a wave of invention and innovation arguably greater than any other in history. Since January 1993, we've issued more than 900,000 U.S. patents, including the 6 millionth patent last December. And the time it took to reach that milestone was cut in half since the 5 millionth patent was issued in 1990. We've registered more than 650,000 Trademarks (including classes) since 1993.

Last year, we received 270,000 patent applications and granted 161,000 patents — that's a 25 percent increase in applications over two years. During the same period, we received 290,000 trademark applications and registered 104,000 classes — a one-year increase of 27 percent.

There is no sign that these increases are letting up. Quite the opposite, in fact. So far this year, trademarks are up 37 percent and patents are up 12.5 percent. We'll easily surpass the 300,000 mark for patent applications and trademark applications this year. While we still issue about four new wheel patents every week, our office routinely examines patent applications in such cutting-edge areas as gene fragments, combinatorial chemistry, and methods for using the Internet. Earlier this year, we received an electronic biotech application with a sequence listing equivalent in size to 400,000 pages of paper. To manage this increase in the volume and complexity of our workload, we are implementing state-of-the-art technology to allow customers to secure our products and services over the Internet.

As I mentioned earlier, we now offer electronic filing of trademarks through our award-winning TEAS system. It allows trademark customers to submit applications over the Internet and use credit cards to pay filing fees — 24 hours a day, seven days a week, 365 days a year — without ever leaving the comfort of their home or office. We've received more than 51,000 applications on TEAS, and 15 percent of our applications are now electronic. More recently, TEAS has been expanded to permit not only the electronic



filing of initial applications, but also all intent-to-use and post-registration documents. We will soon also permit the electronic filing of responses to office actions. Because of TEAS, we've recently been named as a semifinalist in the Innovations in American Government Awards competition sponsored by the Ford Foundation.

To increase the usage of electronic systems such as TEAS and TARR, which allows customers to access trademark application status, mark, ownership, and prosecution information via the Internet, we recently introduced the Trademark Electronic Business Center. This is a single place on our Website where you can access everything you need for the entire registration process.

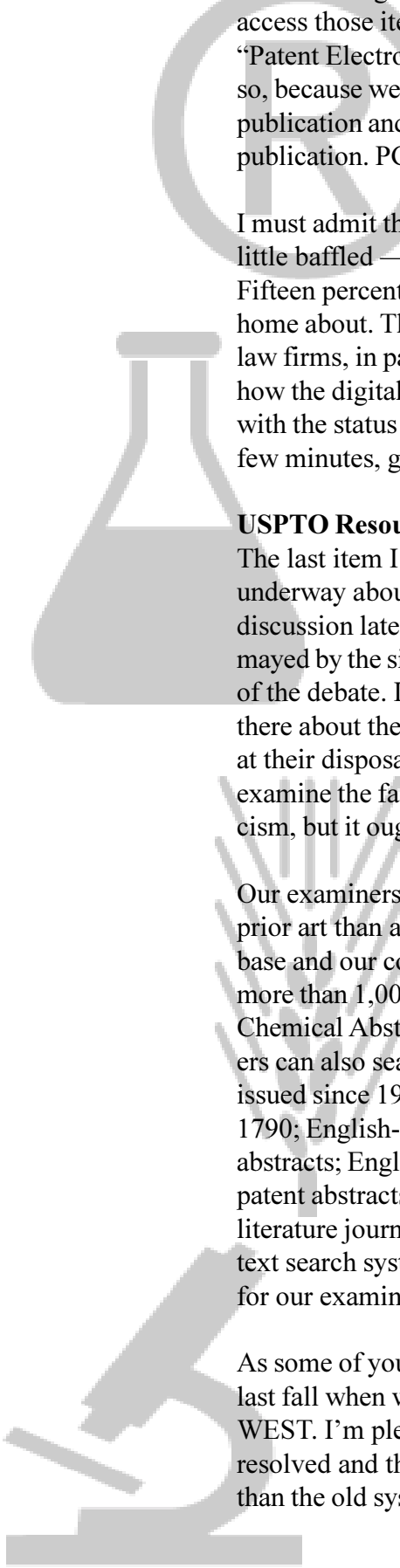
By the end of next month, we also hope to have up and running our Trademark E-Commerce Law Office. Under this system, electronic applications will be routed directly to an e-commerce focused law division for all initial processing, examination, intent-to-use processing, and publication for opposition. These applications will receive prompt examination, often much faster than their paper counterparts. That alone should be an incentive to break free from the old paper system.

On the patent side, we also continue to implement state-of-the-art Information Technology. For example, last fall we deployed the Electronic Filing System in Biotechnology. EFS BIO eliminates the cost and delay of physically handling, processing, and delivering gene sequence listings, such as the 400,000-page one I cited earlier. And it offers our customers automated assistance in preparing their transmittal information and provides real time acknowledgment of submissions.

We also have deployed electronic patent filing to some of our largest patent filers. Last December, a patent attorney from the law firm of Birch, Stewart, Kolasch & Birch submitted the first utility patent application over the Internet using EFS. And, I am very pleased to announce today that we plan to offer electronic filing of patents to all of our customers beginning October 1.

Our work and our service to you and your clients can be greatly improved, and costs significantly reduced, by electronic filing, so please take the time to learn it and use it. We have made an investment of over \$1 billion of your clients money over the last decade on our automated systems, and we need to realize the potential promised by that investment.

Speaking of getting ready, in order to use EFS or PAIR, our on-line



system for checking on the status of your patent applications, you will need to get a digital certificate and a customer number. You can access those items by going to our webpage and clicking on the “Patent Electronic Business Center” link. It’s important that you do so, because we will make electronic filing mandatory for early publication and re-submissions associated with pre-grant publication. PGPUB filings will start around December 1.

I must admit that I’ve been a little disappointed — and actually a little baffled — at the reluctance to use our automated systems. Fifteen percent usage for TEAS, for example, is nothing to write home about. These electronic systems are very user friendly, but law firms, in particular, aren’t taking advantage of them. Not liking how the digital certificate looks is just a poor excuse for staying with the status quo. I really think it’s indefensible. So, please, take a few minutes, give these systems a try, and get on board.

USPTO Resources

The last item I’d like to talk about today concerns the debate that’s underway about how we do our work — a topic of considerable discussion lately. Quite honestly, I’ve been more than a little dismayed by the significant misinformation associated with much of the debate. In particular, a lot of misinformation has been put out there about the skills of our examiners and the resources they have at their disposal, spread by those who have never taken the time to examine the facts closely. I don’t mind fair and constructive criticism, but it ought to be informed criticism.

Our examiners, which now total about 3,200, have access to more prior art than at any time in our history. Our in-house patent database and our commercial database provider provides access to more than 1,000 databases, including Westlaw, Lexis-Nexis, and Chemical Abstracts. From their desktop computers, patent examiners can also search the full text of over 2.5 million U.S. patents issued since 1971; images of all U.S. patent documents issued since 1790; English-language translations of 3.5 million Japanese patent abstracts; English-language translations of 2.2 million European patent abstracts; IBM technical bulletins; and over 5,200 non-patent literature journals. We’ve also deployed a more advanced patent text search system and a new patent image search system for our examiner corps.

As some of you may recall, we encountered some initial problems last fall when we deployed these systems, known as EAST and WEST. I’m pleased to report that those problems haven been resolved and that most examiners now report that they are better than the old systems. Incidentally, just since October 1, we’ve

added about 5 million documents to our patent text search databases.

Now, don't get me wrong, I am certainly not saying that we are perfect. In quickly evolving technologies, such as business methods and genomics, we still need to do more to expand our examiners' access to prior art. That's why, for example, I announced a new Business Method Action Plan earlier this year, which includes a customer partnership with the e-commerce industry and other stakeholders such as the Information Technology Association of America, the Business Software Alliance, and the Securities Industry Association. And next month, on July 27, we'll be hosting a Business Method Patents Roundtable to pursue more opportunities for partnership. We'll also be expanding these outreach initiatives throughout our tech centers. So, stay tuned.

Conclusion

As I indicated in the beginning, it's been quite a year — and quite an eight years — for us at the USPTO. So much is happening right now in the intellectual property arena, it's almost impossible to fathom all the changes that will take place in the next 20 years, let alone the next 100. As for what the future holds, some of you may know that my predecessor as patent commissioner 100 years ago, Charles Duell, is widely misquoted as saying that “everything that can be invented has been invented.” That statement has taken on a life of its own. I've been trying to set the record straight for poor Mr. Duell, but it's hard to do so — even a century later.

Given his experiences, I'm a little reticent to make predictions. But let me close with this thought: The future is full of promise, but the success or failure of our office really hinges on whether we will have the resources we need to do the job that we have been entrusted to do — and that you, our customers, pay for. Will we boldly move forward into the 21st century, as the preeminent global provider of intellectual property rights, serving our customers through the seamless application and awarding of patents and trademarks? Will we be able to offer true “one-stop” electronic shopping that provides America's innovators with high quality, intellectual property protection in a virtual world? The answers to these questions will be determined, in large measure, by the decisions made on Capitol Hill in the coming weeks. But even with that possibility, is my great pleasure to report that the state of the USPTO as we meet here today, is very good indeed. And we very much appreciate, and I very much personally appreciate, the tremendous support we receive from you all. You know us best, and that support is very gratifying indeed.

One Giant Step Closer to New Headquarters in Alexandria, Virginia

by Jim Nowak, Office of Space Acquisition

On June 1, 2000, the USPTO took a major step forward in its long-awaited move to a modern consolidated facility when the U.S. General Services Administration signed a 20-year lease with LCOR Alexandria,

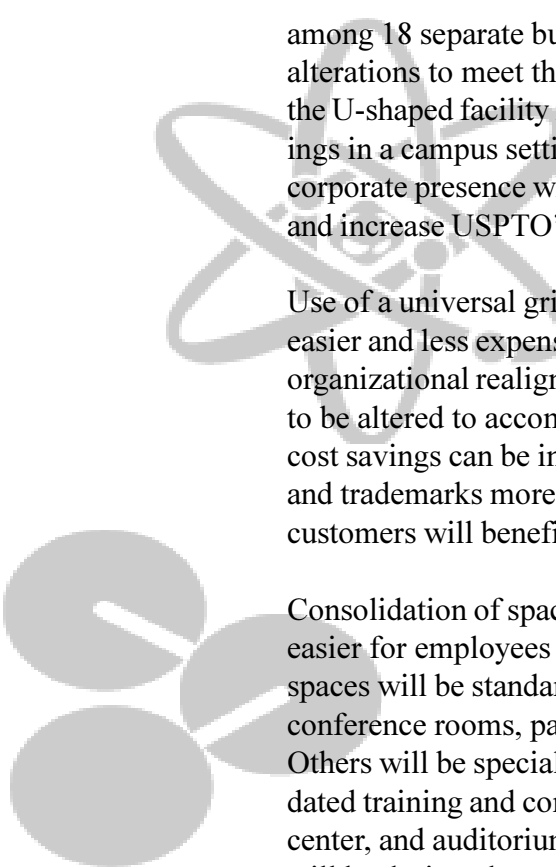


L.L.C. for the USPTO space consolidation project. The GSA proceeded with the lease after District Court Judge Emmet G. Sullivan, earlier the same day, dismissed a lawsuit filed by The Charles E. Smith Companies and three Alexandria citizens alleging that GSA had failed to adequately follow government regulations in assessing the project's environmental impact on the surrounding site area.

Occupancy of its new headquarters on the Carlyle development site in Alexandria, Virginia, is now scheduled to begin in late 2003, and all USPTO employees should be relocated by 2004. By consolidating pursuant to the competitive process, and through standardization of space and mass buys, the organization expects to save at least \$72 million in USPTO user fees over the 20-year lease period.

Under Secretary Dickinson was pleased with the court's decision: "This decision, which allowed GSA to award the 20-year lease, is a very important victory, coming on the heels of the project's approval by the Alexandria City Council earlier this spring. The relocation into 21st century offices will enable USPTO to provide even more efficient, high-quality protection to the innovations in technology that are fueling U.S. economic growth."

LCOR will develop almost 2 million square feet of office and related lease space for USPTO at the Carlyle site in Alexandria, Virginia. USPTO's current facilities in Crystal City are spread out



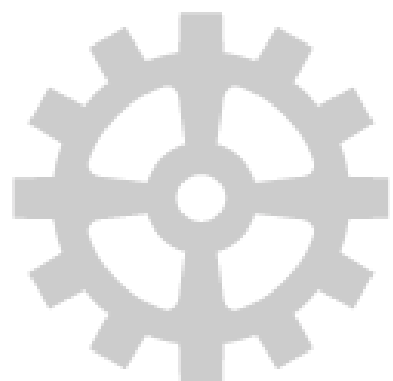
among 18 separate buildings and are in need of expansion and alterations to meet the agency's programmatic needs. In contrast, the U-shaped facility in Alexandria will consist of five linked buildings in a campus setting to give the organization a more unified and corporate presence which, in turn, will facilitate program delivery and increase USPTO's ability to attract and retain high-quality staff.

Use of a universal grid approach to space design will also make it easier and less expensive to implement process changes and/or organizational realignments in the future. Since walls will not have to be altered to accommodate varying needs for space, the resulting cost savings can be invested toward processing and issuing patents and trademarks more efficiently. Indeed, both USPTO and its customers will benefit from lower costs and improved operations.

Consolidation of space into an integrated complex will also make it easier for employees to access other work and support areas. Many spaces will be standardized, such as offices, workstation areas, conference rooms, pantries, and equipment and photocopy rooms. Others will be special use in nature, such as the scheduled consolidated training and conferencing centers, child care center, fitness center, and auditorium. Furthermore, all space within the campus will be designed to comply with current (as opposed to grandfathered) fire, life safety, and accessibility codes.

The Carlyle site offers superior regional transportation access as it is located within a half-mile walk of two Metrorail stations (King Street and Eisenhower Avenue), the Virginia Railway Express, and Amtrak. The site is also easily accessible by automobile via the Capital Beltway, Interstate 395, U.S. Route 1, and Duke and King Streets in Alexandria.

With the procurement phase of the space consolidation project now complete, the USPTO and GSA are excited to begin the design and construction phase and look forward to delivering a healthy, efficient, flexible, and comfortable workplace that results in enhanced employee *and* customer satisfaction.



Developing a World-Class Workforce... PTO University

by Jody Brown, Project Manager, PTO University

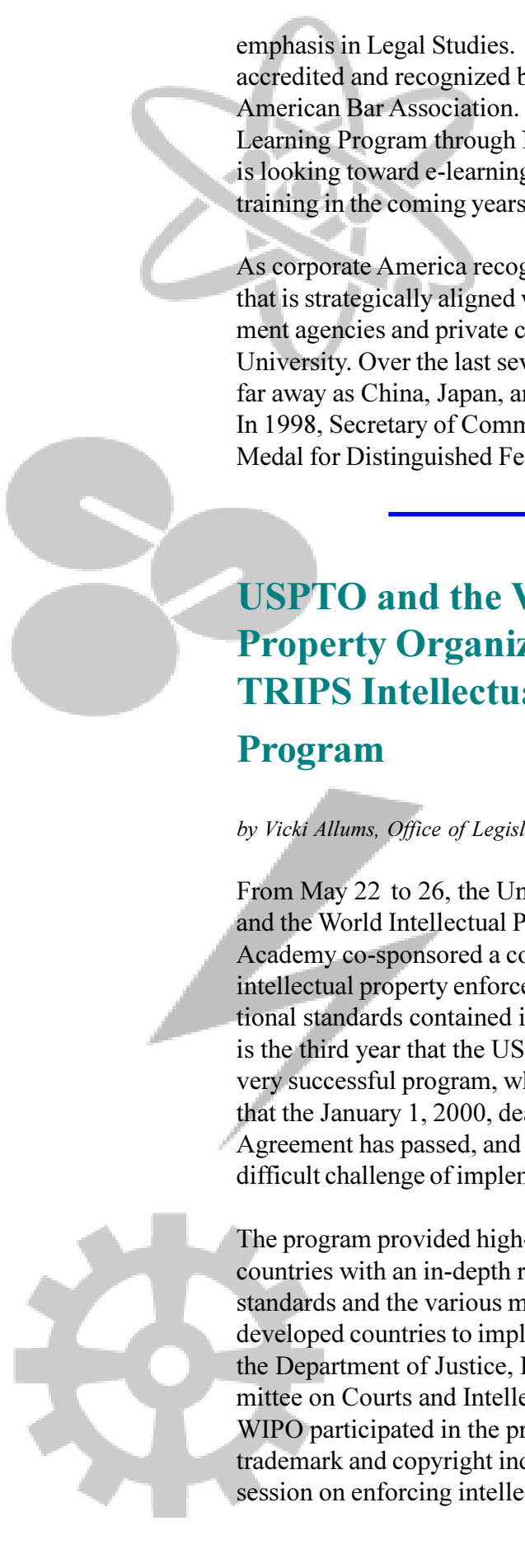
In the spring of 1994, the United States Patent and Trademark Office began offering employees the opportunity to return to college and take classes to develop their skills and knowledge in preparation for the jobs of the future at the USPTO. What became known as PTO University -- or PTO-U -- is now considered a premier institution among corporate universities.

Initially partnering with Northern Virginia Community College and George Washington University, PTO-U began offering classes on the USPTO campus allowing employees to obtain college certificates and degrees in areas ranging from Business Information Technology to Business Management and Office Systems Technology. By the 1999-2000 academic year, PTO-U had nearly 1,400 registrations in university classes during fall, spring, and summer semesters, and enrollment levels are constantly rising. While the USPTO provides the employee's tuition and book, the employee makes the commitment to earn college credits in off-duty time and continue working at the PTO.

An initial assessment identified current employee educational needs and the skills needed to accomplish the work at the USPTO. A curriculum was specifically designed to meet employee needs and align with the the agency's business goals. This curriculum of certificates and degree programs would help the employees to evolve into a world-class workforce ready to keep pace with today's rapidly emerging technologies. Conferences with human resources personnel and strategic planners at the USPTO help the staff at the university to continually update and develop curricula unique to the needs of this special workforce.

Today, PTO-U consists of partnerships with the University of Virginia, Johns Hopkins University, Marymount University, George Washington University, and Northern Virginia Community College and has 11 degree or certificate programs spanning the undergraduate and graduate level.

For example, Northern Virginia Community College requires credit courses in intellectual property law and patent law to obtain an associate degree through PTO-U. In 1999, Johns Hopkins began offering a bachelor's degree in Interdisciplinary Studies with an



emphasis in Legal Studies. In addition, these programs remain accredited and recognized by South Central Accreditation and the American Bar Association. PTO-U also introduced a Distance Learning Program through NVCC for the spring 2000 semester and is looking toward e-learning as the upcoming driver in accredited training in the coming years.


As corporate America recognizes the need for accredited education that is strategically aligned with organizational goals, many government agencies and private corporations have benchmarked PTO University. Over the last several years, visitors have come from as far away as China, Japan, and England to learn about the program. In 1998, Secretary of Commerce William Daley presented the Gold Medal for Distinguished Federal Service to PTO-U.

USPTO and the World Intellectual Property Organization Co-sponsor TRIPS Intellectual Property Enforcement Program

by Vicki Allums, Office of Legislative and International Affairs

From May 22 to 26, the United States Patent and Trademark Office and the World Intellectual Property Organization's Worldwide Academy co-sponsored a comprehensive program on developing an intellectual property enforcement system, which meets the international standards contained in Part III of the TRIPS Agreement. This is the third year that the USPTO and WIPO have co-sponsored this very successful program, which has become even more critical now that the January 1, 2000, deadline for implementing the TRIPS Agreement has passed, and developing countries confront the difficult challenge of implementing the enforcement provisions.

The program provided high-level government officials from over 20 countries with an in-depth review of the TRIPS enforcement standards and the various models adopted by both developing and developed countries to implement these provisions. Officials from the Department of Justice, FBI, U.S. Customs, the House Subcommittee on Courts and Intellectual Property, Canada Customs, and WIPO participated in the program. Representatives from the trademark and copyright industries also participated in an all-day session on enforcing intellectual property rights on the Internet.



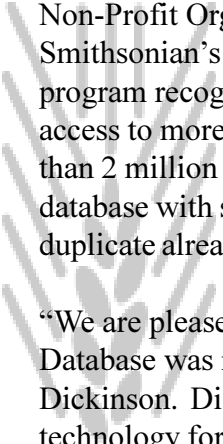
The week's highlights included a visit with Judge Paul Michel at the U.S. Court of Appeals for the Federal Circuit, a tour of US Customs Baltimore port, a videoconference with WIPO's bureau chiefs, and an inter-active problem-solving exercise, which provided the foreign government officials with the opportunity to discuss the enforcement systems in their own countries.



A Search for New Heroes

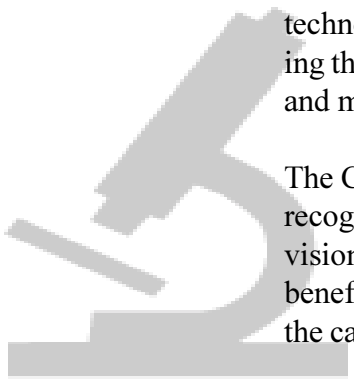
USPTO Honored by Computerworld and Smithsonian for Internet Patent Database

by Ken Giese, Office of the Chief Information Officer



The USPTO's "Patent Full-Text and Image Database on the Web" was one of the five best projects in the world in the Government & Non-Profit Organizations category of the 2000 Computerworld Smithsonian's "Search for New Heroes" program. This prestigious program recognized the USPTO for its first-ever public Internet access to more than 2 terabytes of full-resolution images of more than 2 million recent patents. Program judges also credited the database with spurring innovation and helping avoid efforts that duplicate already-patented inventions.

"We are pleased that the USPTO's Patent Full-Text and Image Database was recognized as one of the best," said Under Secretary Dickinson. Dickinson continues, "Advancements in science and technology form the backbone of the American economy. Patents are a crucial early step in stimulating the economy. USPTO's database, which is updated weekly with the latest in patented technology, will stimulate American creativity and invention, helping this nation remain in the forefront of researching, developing and marketing new products."



The Computerworld Smithsonian Program, founded in 1988, recognizes individuals and organizations that have demonstrated vision and leadership as they strive to use information technology to benefit society. A panel of distinguished judges, (three in each of the categories) chosen on the basis of high standing in their field,

personal leadership, and experience, selected 51 finalists in 10 categories from a total of 444 laureates, whose work was nominated for an award. This year, 71 nominations were submitted in the Government & Non-Profit Organizations category.

Accepting for the USPTO were Chief Information Officer Dennis R. Shaw and project leader, Wes Gewehr, deputy CIO for systems modernization. This project was the result of the hard work of many of the USPTO's contractors and suppliers, including: Computer Sciences Corporation, especially Ray Beach, Dawn King, Dave Martin, and Newton Robinson; CSC subcontractor Signal Corporation, especially Clive Melbourne; Dataware Corporation, especially Terri Morelli and Jim Hawley; EMC Corporation, especially Suzanne Campbell and Mike Collins; Lockheed Martin Corporation, especially Aaron Navarro and Patti Porter. The USPTO team was lead by Jane Myers and included Will Atchinson, Wes Clark, Brooks Hunt, George Hunt, Al Kellogg, Larry Larsen, Linda Lau, and Dave Robell.

The project was completed on schedule and within expected cost, partially because the USPTO was able to capitalize on the investments made in the EAST and WEST systems on PTONet. The text search capabilities were deployed less than six months from project initiation, with full-text capabilities following less than six months later. The Website now averages nearly a half million hits every day, and has received numerous other accolades as a major stride forward in the dissemination of patent information to the general public.

May 2000 Visiting Scholars Program

by Eleanor K. Meltzer, Attorney Advisor, Office of Legislative and International Affairs

The first Visiting Scholars Program of this millennium was held May 8 – 19, 2000, and was a tremendous success for 16 visiting scholars from 14 different countries.

Over the two-week course, the visiting scholars heard presentations on: conditions for patentability, automation, patent and trademark

search techniques, design protection issues, international patent and trademark issues, as well as on issues involving copyright protection.

For the third year, the Visiting Scholars Program included a mentor program and round-table discussion. A round-table luncheon gave USPTO employees a chance to ask the visiting scholars questions about IP protection in other countries.

The Visiting Scholars Program was established in 1984 as a means for sharing the USPTO's expertise with representatives from various industrial-property offices worldwide, with the goal of enhancing global standards of intellectual property protection.

Through the Visiting Scholars Program, employees of the USPTO expose participants to the very highest levels of professionalism in patent and trademark examination.



The May 2000 Visiting Scholars: (not in order)

Country	Name
Costa Rica	Mr. Rolando Cardona Monge
Egypt	Ms. Azza Abdulla Saleh Abu El-Naga
Egypt	Mr. Mohamed Abdel Latif Azouz
Egypt	Ms. Mona Mohamed Ahmed Khalifa
El Salvador	Ms. Marilena Duarte Urrutia de Parada
Guatemala	Ms. Leticia Piedrasanta
Hong Kong	Mr. David Fong
Kuwait	Mr. Ahmed Falah Al-Mutairi
Moldova	Ms. Maria Chernobrovchuk
Nicaragua	Mr. Allan Brooks
Panama	Mr. Rolando Yanis
Philippines	Mr. Claro Orlando Parlade
Taiwan	Mr. Chen Ming-Bang
Thailand	Justice Maitree Sutapakul
Vietnam	Mr. Tran Huu Nam
Vietnam	Mr. Phan Ngan Son

with USPTO's Eleanor Meltzer (far left), David Moore (far right), and Elaine Wu (second from right).

The next Visiting Scholars Program is scheduled for October, 16 – 27, 2000. If you would like further information regarding the program, please contact either Eleanor Meltzer at: (703) 306-2960 or Elaine Wu at: (703) 305-9300.

Commissioner Jiang Ying of SIPO Visits USPTO

by Elaine Wu, Attorney-Advisor, Office of Legislative and International Affairs

Commissioner Jiang Ying, the director of the State Intellectual Property Office of China (SIPO) of the People's Republic of China and a small delegation of other high level officials from SIPO recently came to pay an official visit to Under Secretary Dickinson. The May 22-23 visit began just two days before the House of Representatives approved an important and hard-fought bill granting China a permanent trade agreement. The trade pact aims to throw open China's vast untapped business, commercial and agricultural sectors to U.S. goods and services, and would also ease China's entry into the World Trade Organization. Madame Jiang's visit not only coincided with the passage of this significant bill, but more importantly, helped pave the way for a renewed level of cooperation between SIPO and the USPTO.



SIPO, a government institution under China's State Council, is the competent Chinese authority in charge of patent affairs and foreign related intellectual property issues. Madame Jiang became its commissioner in July 1998.

The SIPO-USPTO meeting officially began on May 22 when Under Secretary Dickinson and Madame Jiang, along with her delegation began a series of formal discussions about topics ranging from an exchange of ideas concerning USPTO's recent proposal to reform

the Patent Cooperation Treaty, to USPTO's successful efforts to craft the Patent Law Treaty which resulted in its recent passage. The first day's discussions ended with a brief talk about how best to increase the cooperation between SIPO and USPTO. Throughout the presentations, the Chinese delegation asked inquisitive and well thought out questions which provoked much lively discussion.

Seven To Be Inducted Into National Inventors Hall of Fame

by Richard Maulsby, Director, Office of Public Affairs

Entertainment industry innovator Walt Disney and personal computer pioneer Steve Wozniak are among seven inventors who will be inducted into the National Inventors Hall of Fame on September 9 in Akron, Ohio. Joining Disney and Wozniak in the NIHF Class of 2000 will be Reginald Fessenden for wireless radio communication; Alfred and Helen Free co-inventors of the dip-and-read tests for urinalysis; Franklin Hyde for the high quality glass used in fiber optics, spacecraft windows, telescope mirrors and precision lenses; and William Kroll inventor of titanium and zirconium processing which enables those elements to be produced in a metallic state.

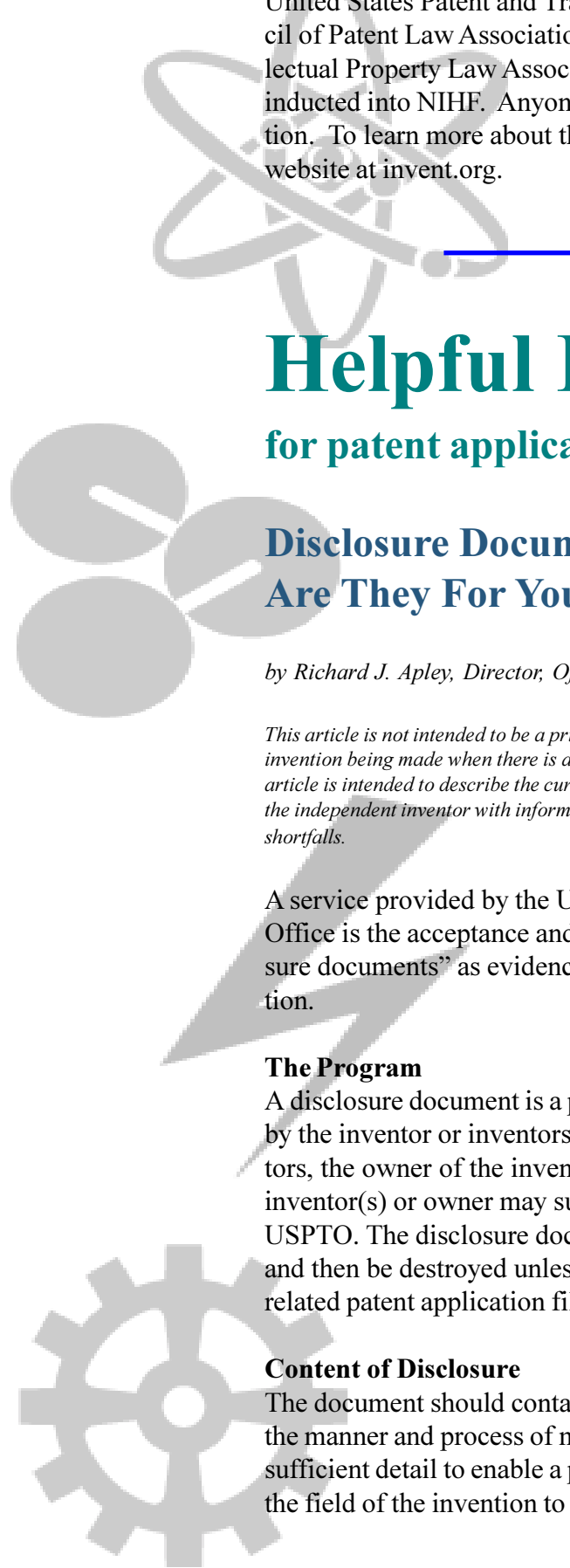
The National Inventors Hall of Fame Foundation Selection Committee, composed of representatives from national scientific and technical organization selects the inductees. In making its selections, the committee considers whether the nominee's invention is covered by a U.S. patent, contributes to the nation's welfare and promotes science and the useful arts.



Walt Disney



Steve Wozniak



The National Inventors Hall of Fame was founded in 1973 by the United States Patent and Trademark Office and the National Council of Patent Law Associations (now the National Council of Intellectual Property Law Associations). Since that time, 151 have been inducted into NIHF. Anyone can nominate an inventor for induction. To learn more about the nomination process visit the NIHF website at invent.org.

Helpful Hints

for patent applicants

Disclosure Documents - - Are They For You?

by Richard J. Apley, Director, Office of Independent Inventor Programs

This article is not intended to be a primer on interference practice, which refers to an invention being made when there is a conception and a reduction to practice. Rather, this article is intended to describe the current Disclosure Document Program and to provide the independent inventor with information of its existence, its requirements, and its shortfalls.

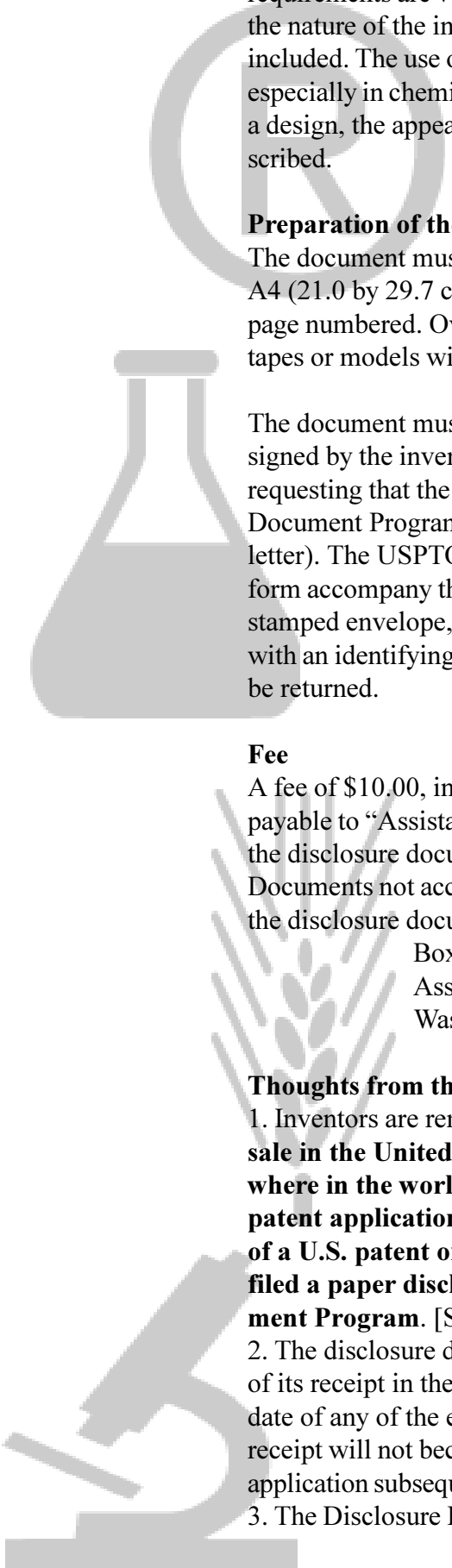
A service provided by the United States Patent and Trademark Office is the acceptance and preservation for two years of “disclosure documents” as evidence of the date of conception of an invention.

The Program

A disclosure document is a paper disclosing an invention and signed by the inventor or inventors. An inventor, one of the joint inventors, the owner of the invention, or the attorney or agent of the inventor(s) or owner may submit the disclosure document to the USPTO. The disclosure document will be retained for two years, and then be destroyed unless it is referred to in a separate letter in a related patent application filed within those two years.

Content of Disclosure

The document should contain a clear and complete explanation of the manner and process of making and using the invention in sufficient detail to enable a person having ordinary knowledge in the field of the invention to make and use the invention. These



requirements are very similar to filing a patent application. When the nature of the invention permits, a drawing or sketch should be included. The use or utility of the invention should be described, especially in chemical inventions. Where the invention is directed to a design, the appearance presented by the object should be described.

Preparation of the Document

The document must be on white letter-sized (8 1/2 by 11-inch) or A4 (21.0 by 29.7 cm) paper, written on one side only, with each page numbered. Oversized papers and attachments such as videotapes or models will not be accepted and will be returned.

The document must be accompanied by a separate cover letter signed by the inventor stating that he or she is the inventor and requesting that the material be received under the Disclosure Document Program (form PTO/SB/95 can also be used as a cover letter). The USPTO prefers that two copies of the cover letter or form accompany the document, along with a self-addressed stamped envelope, whereby the second copy, along with a notice with an identifying number and date of receipt in the USPTO, will be returned.

Fee

A fee of \$10.00, in the form of a check or money order made payable to "Assistant Commissioner for Patents" must accompany the disclosure document when it is submitted to the USPTO. Documents not accompanied by the full fee will be returned. Mail the disclosure document along with fee to:

Box DD
Assistant Commissioner for Patents
Washington, DC 20231

Thoughts from the Director of OIIP

1. Inventors are reminded that **any public use, sale, or offer for sale in the United States or publication of the invention anywhere in the world more than one year prior to the filing of a patent application on that invention will prohibit the granting of a U.S. patent on it regardless of the fact that the inventor filed a paper disclosing the invention in the Disclosure Document Program.** [See 35 USC 102(b)].

2. The disclosure document is not a patent application, and the date of its receipt in the USPTO is the date of conception and not the date of any of the enclosed documents. Further, the date of its receipt will not become the effective filing date of any patent application subsequently filed.

3. The Disclosure Document Program does not diminish the value

of the conventional, witnessed, permanently bound, and page-numbered laboratory note book or notarized records as evidence of conception of an invention.

4. The disclosure document will be preserved by the USPTO for two years after its receipt and then destroyed unless it is referred to in a separate letter in a related patent application filed within the two year period (identifying the patent application and the document by its title, number, and date of receipt in the USPTO).

5. The two-year retention period is not a “grace period” during which the inventor can wait to file his or her patent application without possible loss of benefits. The law of establishing priority of invention in our “first to invent” patent system usually includes diligence in completing the invention and/or in filing the patent application.

6. Inventors are encouraged to review the requirements and benefits of filing a provisional application for a patent since this type of application can establish up to a one year domestic priority period which will not count in the measurement of the 20-year patent term.

7. The USPTO will continue to evaluate the need for and efficacy of retaining the Disclosure Document Program. Your preliminary thoughts are welcomed and should be sent to:

Director, Office of Independent Inventor Programs
USPTO

Box 24

Washington, DC 20231

or

e-mail: www.independentinventor@uspto.gov

Faces of the USPTO

Dennis R. Shaw joined the United States Patent and Trademark Office in July 1993. As chief information officer, he is the principal advisor to the under secretary for intellectual property on the application of information technology to support and improve USPTO business processes. Shaw directs the development, implementation, maintenance, enhancement, and operation of USPTO’s automated information systems and the development of supporting strategic and operational information technology plans. He also serves as the agency’s senior information resources



management official.

Shaw has over 25 years of progressively increasing management responsibilities in directing or evaluating the application of information technology in meeting organizational needs. He has a strong record of accomplishment highlighted by broad technical experience and well developed management skills. During his career, Shaw has received 16 awards and commendations, including the 1983 award for technical excellence from the Interagency Committee on Information Resources Management.

Shaw previously held several senior information technology management positions with the Department of Defense and the U.S. General Accounting Office. He has served as the director of operations and chief of staff for the DoD Center for Information Management; director, information resources management for the U.S. Marine Corps; director, information resources management policy and plans, Office of the Secretary of Defense; and group director, Information Management and Technology Division, U.S. General Accounting Office.

Shaw received a Bachelor of Science degree in engineering sciences from the U.S. Naval Academy in 1967 and a Master of Science degree in management information systems from the American University in 1978.

To The Editor

Dear Editor,

*How does one address checks and documents to the PTO now?
What about still using "Commissioner of Patents and Trademarks,
etc.?"*

M. Koslover

Dear Mr. Koslover,

Effective March 29, 2000, the head of the agency's title changed in part from "Commissioner of Patents and Trademarks" to "Director of the United States Patent and Trademark Office." Until there is a formal rule change, you may continue to make checks and money orders payable to and addressed to the "Commissioner of Patents and Trademarks," just as in the past. However, USPTO will pro-

cess checks or money orders made payable to the “Director of the United States Patent and Trademark Office.” Appropriate notice of a rule change will be posted on the Web page and in USPTO TODAY.

Dear Editor.

In the new legislation article,[January online issue and Spring print issue] the author states “Unfortunately, the PBO provisions do not solve the USPTO’s ongoing budget...from diversion of revenue fees.” However, two commentators in the June INTELLECTUAL PROPERTY TODAY discussing the same legislation state the legislation “...will stop the current practice of diverting user fees into the general federal budget.” and that the PTO “may retain and use all of its revenues and receipts.”

*R. Rickert
Huntington, Indiana*

Dear Mr. Rickert,

Under the terms of the American Inventors Protection Act (AIPA), which was signed into law last November, the USPTO was established as a performance-based organization with “independent control of its budget allocations and expenditures, personnel decisions and processes, procurements, and other administrative and management functions.” However, despite this new autonomy, the USPTO remains subject to the annual congressional appropriations process, which allocates all discretionary funding for the federal government.

The House Judiciary Committee unanimously approved H.R. 4034, the United States Patent and Trademark Office Reauthorization Act,” on May 9, 2000. This legislation would allow USPTO to access all of its fees without prior authorization in appropriation Acts. While H.R. 4034 awaits further action, the diversion of USPTO fees continues.

From the Editor

Corrections and Clarifications

In the article “It’s All in the Claims,” [January online issue p. 11 and Spring 2000 print issue p. 10] we would like to clarify that examiners do not make judgments or opinions concerning infringement. The correct statement should have read: The claims in a patent application define the scope of the invention and serve to determine whether the invention is patentable over the prior art. Once patented, the claims in a U.S. patent define the scope of protection afforded by the patent. It is the claims and not the specification that serve to determine whether a U.S. patent is infringed upon by the actions of someone else. That determination is made by the courts.

In the article, “A Budget for All Seasons,” [February online issue p. 6 and Spring print issue p.32] the chart “Patents by the Millions” gives incorrect years for the 2 millionth and 3 millionth patent. The correct dates are: Patent number 2,000,000 issued in 1935 not 1932. Patent number 3,000,000 issued in 1961 not 1955.

FYI...

Patent number 1,000,000 was issued on August 8, 1911, to Francis H. Holton of Summit, Ohio for a “vehicle tire.”

Patent number 2,000,000 issued 24 years later on April 30, 1935, to Joseph Ledwinka of Philadelphia, Pennsylvania, for “vehicle wheel construction.”

Patent number 3,000,000 issued 26 years later on September 12, 1961, to Kenneth R. Eldridge of Palo Alto, California, assigned to General Electric Co., for an “automatic reading system.”

Patent number 4,000,000 issued 15 years later on December 28, 1976, to Robert L. Mendenhall of Las Vegas, Nevada, for a “process for recycling asphalt aggregate compositions.”

Patent number 5,000,000 issued 15 years later on March 19, 1991, to Lonnie O. Ingram et al, assigned to the University of Florida, for “Ethanol production...”

And eight years later, patent number 6,000,000 issued on December 7, 1999, to Jeffrey C. Hawkins and Michael Albanese, assigned to 3Com Corporation, for “Extendible method and apparatus for synchronizing multiple files on two different computer systems.”